BEFORE THE

U.S. DEPARTMENT OF TRANSPORTATION 13

OFFICE OF THE SECRETARY COME 3. 14

In the matter of

EXPANDING INTERNATIONAL AIR SERVICE OPPORTUNITIES TO MORE U.S. CITIES

Docket No. 46534

COMMENTS OF AMERICA WEST AIRLINES, INC.

Communications with respect to this document should be sent to:

Edward R. Beauvais Chairman of the Board America West Airlines, Inc. 4000 East Sky Harbor Boulevard Phoenix, Arizona 85034

and

Martin J. Whalen, Esq. Senior Vice-President and General Counsel America West Airlines, Inc. 4000 East Sky Harbor Boulevard Phoenix, Arizona 85034

John E. Gillick Robert Reed Gray Constance O'Keefe Winthrop, Stimson, Putnam & Roberts 1133 Connecticut Avenue, N.W. Suite 1200 Washington, D.C. 20036 (202) 775-9800

Attorneys for America West Airlines, Inc.

November 13, 1989

BEFORE THE U.S. DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

In the matter of

EXPANDING INTERNATIONAL AIR SERVICE OPPORTUNITIES TO MORE U.S. CITIES

Docket No. 46534

COMMENTS OF AMERICA WEST AIRLINES, INC.

By Order 89-10-19, the Department of Transportation has solicited comments on a new Department proposal designed to expand international air service opportunities to more United States cities. America West Airlines, Inc. (America West) hereby provides the following comments on the proposal, and urges that it be adopted in the manner described more fully herein as part of an overall policy to increase international air transportation through non-traditional U.S. gateways.

America West, as a U.S. air carrier desirous of providing expanded international air service, is supportive of the various efforts by the Department of Transportation to expand opportunities for new international service. America West believes that this proposal, if properly implemented, has

the potential to be an important element of an overall policy that will result in expanded international service to a great variety of points in the United States.

As noted in the Order, this proposal is one of many that have been advocated by a group of communities that are desirous of obtaining new or improved air service to and from non-traditional U.S. gateways. America West is fully supportive of these efforts, and urges implementation of this proposal as one part of this overall effort to obtain expanded route opportunities to such communities. America West believes that the efforts of the U.S. government should be directed towards enhancing international aviation opportunities rather than protecting the interests of entrenched U.S. international carriers providing service through the traditional U.S. gateways. Only such an approach can lead to a truly competitive international air transportation system in which all U.S. air carriers have a chance to play an effective role. With the advent of new technology aircraft that are capable of providing safe, efficient, and economic air service to and from smaller U.S. cities, the U.S. government must tailor its bilateral negotiating strategies to take advantage of the important competitive implications of such technology.

Although we are supportive of this proposal from a conceptual standpoint, America West believes that it must be developed more fully in several respects and republished for

additional comment before it becomes effective:

First, while one of the preconditions for such an exemption award to a foreign air carrier is that "there is a procompetitive agreement in place with the homeland country," Order 89-10-19 at 2, the proposal fails to define the elements of such an agreement with any specificity. As the Department is well aware, there are a great many variations in the "competitiveness" of bilateral agreements, and the specific criteria for the type of agreements that will meet this particular test must be spelled out in greater detail and an opportunity for additional comment provided prior to final adoption of this proposal.

Second, the proposal indicates that authority will not be granted foreign air carrier applicants if U.S. parties have "raised overriding public interest reasons for denying the requested authority." While the Order describes certain public interest considerations that could preclude such a grant, such as "outstanding aviation problems with the foreign carrier's home country" or a U.S. carrier having "firm" plans to provide the service within a "reasonable time," the proposal fails to define these conditions with sufficient specificity and fails to delineate other "public interest" issues that could be raised. Once again, this element of the proposal must be explicated more fully and another opportunity for public comment provided.

Finally, the proposal fails to indicate the period of time within which U.S. parties will be permitted to respond to such an exemption request by a foreign air carrier. Since it may take a substantial period of time to determine with certainty the facts necessary to respond to such an exemption request (particularly if such a determination involves the foreign air carrier's home country aviation policies or similar such facts), America West urges that the time period for responding to such applications be twenty-eight days, the time for responding to certificate applications by U.S. air carriers.

In summary, America West supports adoption of this proposal as part of an overall strategy to increase international route opportunities for both U.S. and foreign air carriers to and from the United States, and urges that the Departments of Transportation and State move ahead with all deliberate speed to increase opportunities for U.S. carriers to provide service to and from the United States through nontraditional international gateways as part of this overall policy initiative.

We appreciate the opportunity to provide these comments, and intend to reply to the comments of other parties

with respect to this proposal in the manner provided in the order.

Respectfully submitted,

WINTHROP, STIMSON, PUTNAM & ROBERTS

ohn E. Gillick

Robert Reed Gray

Constance O'Keefe

Counsel for America West Airlines, Inc.

1133 Connecticut Avenue, N.W. Suite 1200 Washington, D.C. 20036 (202) 775-9800

November 13, 1989